

DEPARTMENT OF THE ARMY
DIRECTORATE OF CONTRACTING
FORT DOUGLAS

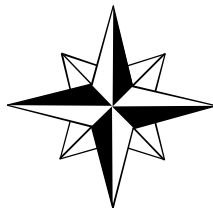
96th RSC Internal

STANDARD OPERATING PROCEDURES

For

I.M.P.A.C (VISA) PURCHASES
(Revised)

January 2000



Stephen A. Douglas Armed Forces Reserve Center

DCSLOG

ADMINISTRATIVE RESPONSIBILITIES

Note: New updates are in red.

1. **SCOPE:** This SOP applies to all personnel, Units, Tenants, and Centers being supported by the U.S. Army 96th Regional Support Command (RSC).

2. DEFINITIONS:

a. **Agency Program Coordinator.** The Agency Program Coordinator (APC) serves as the focal point for coordination of the applications, issuance, maintenance, and destruction of IMPAC cards; establishment of reports; and administrative training. This individual also serves as the liaison between the Directorate of Contracting, U.S. Bank IMPAC Government Services Purchasing Card Program, and the General Services Administration Contracting Officer. The APC oversees the Government-wide Commercial IMPAC Card Program (also known as the IMPAC program) and establishes guidelines for use of the card. The Agency Program Coordinator (or designated Alternate Agency Program Coordinator) submits changes to dollar limitation or authorized merchant codes to U.S. Bank.

b. **Agency Program Coordinator:**

Janice C. Taylor
Directorate of Contracting
Building 103 Room 032 Fort Douglas
Salt Lake City UT 84113
Phone: 801-736-4808
Email: janice.taylor@usarc-emh2.army.mil

c. **Alternate Agency Program Coordinator:**

Ricky J. Jaramillo
Directorate of Contracting
Building 103 Room 031 Fort Douglas
Salt Lake City UT 84113
Phone: 801-736-4805
Email: rick.jaramillo@usarc-emh2.army.mil

d. **Approving Official.** The Approving Official is the certifying official and approves all purchases made by his/her Cardholders prior to the transaction.

e. **Billing Official.** See definition of Approving Official.

f. **Billing Period.** Commences on the 24th of the month, and ends on the 23rd of the next month.

g. **Billing Statement:** Summary of all purchases made by the Cardholders under the cognizance of the Approving Official (sometimes known as the Certifying Official). The Billing Statement is the official invoice and is issued monthly by the bank to the Approving Official. The Billing Statement is certified by the Approving Official and forwarded directly to the paying office by the Approving Official.

h. **Cardholder.** The Cardholder is the individual to whom the card is issued. The IMPAC card bears this individual's name and may only be used by this individual to pay for authorized U.S. Government purchases.

i. **Customer Automation and Reporting Environment (C.A.R.E.).** An electronic interface via the Internet. This allows Cardholders and Approving Officials to access their accounts to review details of transactions.

j. **Certification.** The act of attesting to the legality, propriety and correctness of a document for payment as provided for in 31 USC 3528.

k. **Company.** Under the Corporate Payment System, the Approving Official is referred to as "the company", meaning that this is the activity that receives the bill or official invoice.

l. **Construction.** Construction, alteration, or repair (including dredging, excavating, and painting) of buildings, structures, or other real property.

m. **Delegation of Authority.** This delegation, issued by the Directorate of Contracting to the Cardholder, specifies the authority being delegated to the Cardholder and any limitations to that authority. This delegation expires when an individual is reassigned, terminated, mobilized, or authority is revoked.

n. **Designated Paying Office.** DCSCOMPT is the office responsible for paying the official invoices received from the Approving Officials. The Paying Office address is:

HQ 96TH Regional Support Command
Stephen A Douglas AFRC
Attn: AFRC-CUT-COB (CAPS)
Salt Lake City UT 84113
Phone: 801-736-4809/4806

o. **Directorate of Contracting (DOC).** The office primarily responsible for management of the IMPAC program.

p. **IMPAC.** An acronym that stands for "International Merchant Purchase Authorization Card." These initials will also appear on forms and cards provided by U.S. Bank. Note: The IMPAC card is a VISA card.

q. **Official Invoice.** A document requesting payment to be made to the Government purchase card contractor (the bank). The official invoice, also called the Billing Statement, covers one Approving Official and one or more Cardholders per billing period.

r. **Purchase Card Certifying Officer.** A DOD military member or civilian of the Department of the Army appointed in writing to certify the official invoice (billing statement) for payment.

s. **Statement of Account:** The Statement of Account is the monthly listing of all payments authorized for purchase and credits made by the Cardholder and billed by the merchant. The Bank issues the Statement of Account to the Cardholder.

t. **Supply.** An item or commodity, which, when purchased, is owned by the Government. It does not include real property such as buildings or land.

u. **Service.** A contract that engages the time and effort of a contractor whose primary purpose is to perform a task rather than furnish an end item of supply. Examples include maintenance, repairs, housekeeping, rentals, subscriptions, advisory/assistance services, operation of equipment, catering, etc.

v. **U.S. Bank.** This is the contractor who maintains all IMPAC accounts, issues cards to Cardholders, sends monthly statements of account to Cardholders and Approving Officials, and provides various reports to the organizations Agency Program Coordinator.

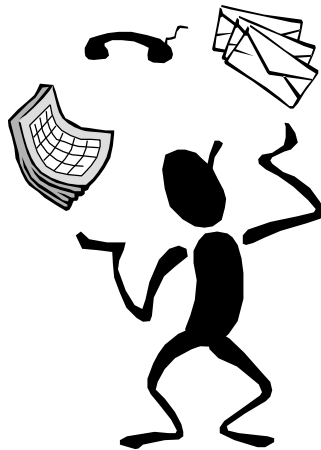
3. **CONTACT WITH U.S. BANK.** The Cardholders should contact U.S. Bank only when reporting lost or stolen IMPAC cards, activating a new IMPAC card, or inquiries as to the status of the account. All other questions should be directed to the Agency Program Coordinator or the Alternate Agency Program Coordinator.

4. **CREDIT CARD TRAINING:** Prospective Approving Officials or Cardholders who have not taken formal basic procurement training must receive formal training or on-the-job orientation in basic procurement practices prior to receipt of an IMPAC card. Contracting Officer (Agency Program Coordinator) or Alternate Agency Program Coordinator may provide the orientation and training. The Agency Program Coordinator will provide information and basic instruction on how to use the card to Cardholders and Approving Officials in accordance with FAR Part 13 and any supplements thereto. All Cardholders and Approving Officials shall read and be familiar with the requirements of this internal agency Standard Operating Procedure and other applicable regulations. Prospective

Cardholders and Approving Officials shall complete agency training and receive a certificate of training prior to their applications for an IMPAC card being forwarded to U.S. Bank.

5. STANDARDS OF CONDUCT: Cardholders and Approving Officials hold a public trust. Their conduct must meet the highest ethical standards. All agency employees shall use the IMPAC card to purchase supplies, services, or construction only within the guidance of the program. Cardholders and Approving Officials acknowledge that making false statements on IMPAC card records may result in their removal from Federal Service. The Government may punish wrongdoers by fine, imprisonment, or both, as stated in Section 1001; Title 18 United States Code. Unauthorized use shall have the meaning set forth in footnote 22, Section 226.12, Title 12 Code of Federal Regulations. “Unauthorized use means the use of a IMPAC card by [any] person, [including] the Cardholder, who does not have actual, implied or apparent authority for such use and from which the [Government] received no benefit.”.

6. TRANSFER OF CARDHOLDER TO ANOTHER APPROVING OFFICIAL. If a Cardholder is transferred to another office within the same organization, the Cardholder’s account may simply be transferred to the new Approving Official at the end of the current billing cycle. However, if a Cardholder moves to a different Approving Official outside the organization, the new Approving Official will determine if the employee will be a Cardholder within the new organization. If it is determined that the employee will be a Cardholder, a new nomination form (with proof of training) must be forwarded to the Agency Program Coordinator. A new card will then be issued under the new Approving Official. The old Cardholder account is canceled by forwarding an IMPAC Card Destruct Notice to the Agency Program Coordinator.



IMPAC CARD USE DO'S & DON'TS

7. AUTHORIZED USE OF THE IMPAC CARD

a. The unique IMPAC Visa card received by the Cardholder has his/her name embossed on the card and may be used only by that Cardholder. ***NO OTHER PERSON IS AUTHORIZED TO USE THE CARD.*** The card was specifically designed showing the Great Seal of the United States and the words "United States of America" imprinted on it to avoid being mistaken for a personal credit card.

b. When issuing this card to a Cardholder, merchant codes are established by the Agency Organization Program Coordinator and Approving Official and incorporated into the card. Under normal circumstances, merchants are required to obtain authorization from U.S. Bank for purchases over \$50.00. However, many merchants now use electronic authorization methods allowing them to obtain authorizations for all purchases regardless of the amount of purchase. When the merchant seeks authorization, U.S. Bank's authorization system will check each individual Cardholder's single purchase limit. This includes the 30-day monthly limit, the Approving Official's 30-day office limit and the type of merchant where the Cardholder is making the purchase before authorization for the transaction is granted. Your card will be rejected if the purchase exceeds \$2,500.00; if the total amount of the purchases exceeds the Cardholder's 30-day limit; if the purchase exceeds the Approving Official's 30-day office limit; or if the purchase is made at an establishment not authorized by the card.

c. The following rules will be observed when making a decision to use the IMPAC card:

- (1) The IMPAC may be used to buy centrally managed National Stock Number (NSN) items commercially available when the designated Approving Official determines the purchase to be in the best interest of the government. Criteria for "Best Interest", are the combination of quality, timeliness, cost, and improved readiness, which best meets our needs. For example, a repair parts purchase from a DLA-approved vendor, such as John Deere or Freightliner, meets the criteria.
- (2) Any non-cataloged, non-stocked, non-standard item is authorized. The item has not been included in the Army Master Data File (AMDF).
- (3) Any item on the AMDF with an acquisition advice code of J, K, or L (local purchase).
- (4) That quantity of materiel identified on a request that was rejected by the wholesale system with a status/rejection code of CK, CP, or CW.

d. The total of a single purchase to be paid for using the card may be comprised of multiple items but the total of the purchase cannot exceed the authorized single purchase limit. Purchases will be denied if the Single Purchase Limit is exceeded. Payment for purchases is not to be split in order to stay within the single purchase limit. Single purchase limits are under \$2,500 for supplies, equipment, and services; and under \$2,000 for construction.

e. Purchases of \$2,500 or less are considered to be micro-purchases and may be accomplished without securing competition if the prices paid are considered to be fair and reasonable. Files should be documented on how this determination was made. However, noncompetitive purchases are to be distributed equitably among qualified suppliers. If practical, a price quotation from other than a previous supplier should be solicited before placing a repeat order with the previous supplier. Competition should always be sought when there is doubt that a fair and reasonable price is being paid. If in doubt, secure competition to establish a fair and reasonable price.

f. No backordering is allowed. All items purchased by mail order or telephonically should be delivered in a single delivery by the merchant. No partial shipments are allowed. Advise merchants that they are not to invoice until all items are shipped.

g. Inform merchants that the purchase is for official U.S. Government items and is not subject to State or Local taxes. (Note: The U.S. Army Reserve tax-exempt number is 35-1880470).

h. Command Post Exercise (CPX) and Field Training Exercise (FTX) support: The IMPAC can be used for service support (contracts, portable toilets, ice, etc.) CPX and FTX exercise. Supplies and equipment are purchased through normal channels.

i. Cardholders are authorized to make local purchases on the inter-net using the IMPAC card. Cardholders are authorized to use the DOD electronic mall (E-mail). For Army Cardholders, Army Mart (A-mart) is the only authorized entry to the DOD E-mall. The IMPAC card is the only authorized means to order A-mart/E-mall supplies and services. Military Standard Requisitioning and Issue Procedure (MILSTRIP) requisitions are not authorized for inter-net or A-mart/E-mall orders. Local purchase over the inter-net using Army Working Capital Fund Supply Management Army (AWCF SMA) funds is not authorized.

8. **UNAUTHORIZED USE OF THE IMPAC CARD:** The Approving Official will document all violations by Cardholders and notify the Agency Program Coordinator. A Cardholder who makes unauthorized purchases or carelessly uses the card, may be liable to the Government for the total dollar amount of the unauthorized purchases, made in connection with the misuse or negligence. Also, the Cardholder may be subject to disciplinary action for unauthorized or careless use.

Do not use IMPAC card for purchase of:

- a. Gas, oil, tires, batteries, or repair for GSA vehicles (use GSA credit card).
- b. Fuel and oil for Military Vehicles (use Tactical POL credit card).
- c. Cash Advances (use individual's travel credit card).
- d. Rental or lease of land, buildings, and equipment.
- e. Telecommunications (telephone, cellular, pager) service, purchase, or repair (DCSIM must approve this service). Only DCSIM IMPAC cards can be used for this category, **unless authorized in writing by IM for you to purchase the item.**
- f. ADP hardware and software (except STAMIS items) without the prior written approval of DCSIM.
- g. To pay an unauthorized procurement after ratification.
- h. Repetitive services such as janitorial, yard, and maintenance services, other than repair services **that is over \$2,500.**
- i. Individual meals, lodging, other travel or subsistence costs while on TDY, including vehicle rental **unless it is an emergency.**
- j. Items for personal use including clothing or footwear, except in emergency situations when required for safety, or when authorized by the agency.
- k. Controlled Items (narcotics, precious metals, or liquor).
- l. Printing (use Defense Automated Printing Service), **unless they cannot support the requirement.**
- m. Class VIII medical and dental supplies (172nd MED LOG BN only), **unless the 172nd cannot support the need and it is Army related.**
- n. Split purchases to avoid IMPAC card limitation of \$2,500 for services, supplies & equipment and \$2,000 for construction or repairs to real property.
- o. Airline, bus, train, or other travel related tickets.
- p. **Geography distance means nothing. If purchasing an item for two different Units and the amount is over \$2,5000 it is a split purchase. Also, requirements cannot be split to meet the IMPAC Card threshold.**

q. **In-house credit is not authorized. Meaning returning an item purchased with the IMPAC card for in-house credit.**

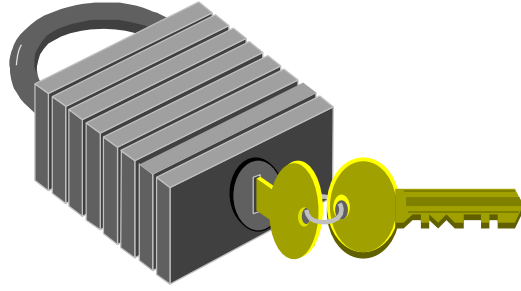
- **Note: Check Mandatory Sources of Supply before making any purchases with the IMPAC. The local vendors should be the last resource. However, use your best judgment if mandatory source prices are higher than local vendors.**
- **Note: Painting is considered to be construction.**
- **Note: Commander coins or trophies may be purchased only if they are used for individual or team awards. Non-appropriated funds (NAF) must be used for NAF purchases.**
- **Note: The IMPAC can be used for civilian training, using DD Form 1556, up to \$2,500.**
- **Note: Purchase of catered meals for Reserve Training is acceptable.**
- **Note: Furniture purchases must have US Army Reserve Command (USARC) approval.**
- **Note: The IMPAC should be used for interdepartmental fund transfers and transportation actions amounting to \$2,500.**
- **Note: Military photos see paragraph 23.**
- **Note: The quantity of materiel requested for AMSA/ECS shops does not exceed 7 days of supply for day-to-day operating supplies and 15 days of supply for shop stock replenishment.**

9. **EMERGENCY USE OF IMPAC CARD:** During an emergency situation, such as Unit mobilization, the supporting AMSA/ECS Cardholder serves as backup for the Unit until a replacement Cardholder is approved. Funding is the responsibility of the Unit, not the AMSA/ECS. 96th RSC DCSLOG Supply & Maintenance Division Cardholders can make emergency purchases for supplies & equipment. 96th RSC DCSLOG Transportation & Services Division can make emergency purchases for food service, item needed to save human lives or to relieve human suffering, materiel needed to repair emergency equipment, and repair parts and supplies to repair army motor vehicles disabled on the roadside.

10. **DOLLAR LIMITS:**

a. **30-Day Purchase Limit:** The monthly Cardholder limit is a budgetary limit assigned by the Approving Official and authorized by the Agency Program Coordinator. The Approving Official shall coordinate with their Budget Office when determining the monthly limit for the Cardholder. The monthly dollar value of purchases should not exceed the monthly purchase limit set by the Approving Official. The Approving Official, with Budget concurrence, may request the Agency Program Coordinator to raise the monthly Cardholder limit. The 30-day purchase limit coincides with the billing cycle and is renewed with the beginning of the next billing cycle.

b. **30-Day Office Limit:** The monthly office limit is a budgetary limit established by the Budget Officer for each Approving Official. The limit established by the Budget Officer is not less than the sum of the Approving Official's Cardholders' monthly purchase limits and should reflect spending history as well as budgetary trends. The total dollar value of purchases using the IMPAC card shall not exceed the established monthly office limit. The 30-day office limit coincides with the billing cycle and is renewed with the beginning of the next billing cycle.



APPROVING OFFICIAL RESPONSIBILITIES & PROCEDURES

11. **APPROVING OFFICIAL RESPONSIBILITIES:** The Approving Official also functions as a Purchase Card Certifying Official (PCCO). In this capacity, the Approving Official is appointed in writing, by the APC, to certify the official invoice (the Billing Statement) for payment. The PCCO is liable for an illegal, improper, or incorrect payment processed as a result of an inaccurate or misleading certification. The PCCO appointment is accomplished by issuance of a letter of appointment from the Agency Program Coordinator and completion of a Signature Card (DD Form 577). The appointment letter and DD Form 577 shall identify the types of payments to be certified. The completed PCCO letter of appointment and DD Form 577 is forwarded to Defense Finance Accounting Service (DFAS). The Approving Official will:

a. Maintain an Approving Official IMPAC Log of all approved purchases. Start new numbering sequences each year. Each control number must have the following data:

- Approving Official IMPAC Control Number
- Date of purchase
- Vendor
- Description of purchase
- Amount
- Account Processing Code (APC)
- Unit Name
- Cardholder Name
- Property Book Item (Yes or No)
 - RSAIN (Requirement Statement Audit Identification Number) if required from DCSIM. See paragraph 26.
 - SDN (Supply Document Number) from the Supply Sergeant. Refer to paragraph 24.
- Date recorded on property book
- Unit Document Number (has the following fields)
 - DODAAC
 - Julian Date (four positions)
 - Sequence number (four positions)
 - 0000 Non-expendables (Class II & VII)
 - 2100 Expendables (Class II & IV)
 - 2200 Durable (Class II)

Note: If a purchase is a property book item, an Approving Official IMPAC Control Number will not be issued until a RSAIN number (if required) and the SDN is obtained from the Cardholder.

12. BILLING STATEMENT RECONCILIATION PROCEDURES

Step 1: The Billing Cycle ends on the 23rd of the month. The bank will mail the Billing Statement to the Approving Official on the 2nd business day after the end of the billing cycle. The Billing Statement should be received by the 7th business day after the end of the billing cycle. If the Billing Statement is not received by the 15th calendar day after the end of the billing cycle, action must be taken with the bank to receive a copy of the missing document.

Step 2: The Approving Official date stamps the Billing Statement of date received. If the Approving Official does not clearly identify the date of receipt on the Billing Statement, the Prompt Payment Act requires the payment office to use the statement date as the assumed date of receipt. In many cases this will result in the payment not being made within 30 days and interest penalties will be assessed.

Step 3: Date stamp the Statement of Account when received from the Cardholder. Ensure original invoices are attached to the Statement of Account.

Step 4: The Approving Official reconciles the Billing Statement against the Cardholder Statement of Account and supporting documentation. Specifically, the Approving Official will:

- Ensure transactions meet legal and mission requirements for authorized purchase card purchases.
- Ensure adequate documentation is available for individual transactions.
- Ensure the facts presented in documents for payment are complete and accurate.
- Ensure property hand receipts have been obtained for the accountability of property.
- Take appropriate action to prevent two or more payments for the same transaction.
- Ensure dispute procedures are properly implemented when transactions are questioned.
- Certify that purchases are correct and meet mission requirements.
- Certify purchases do not exceed spending limitations approved by the Resource Manager.
- Certify purchases are not for personal use.
- Certify purchases are not items that have been specifically prohibited by the organization or by statute.
- Certify purchases are not part of a system or larger purchase exceeding \$100,000 in value.
- Certify purchases are not split into smaller segments to stay under the micro-purchase limit.

Step 5: The Approving Official annotates the amount of payment being certified on the first page of the Billing Statement, and then signs the certification statement on back of each page of the Billing Statement. Ensures all accounting lines are correct (by ensuring that all asterisks are correctly filled in) and forwards the certified Billing Statement to the paying office.

Step 6: The Approving Official retains a copy of the certified Billing Statement and each original Statement of Account (with receipts and supporting documentation) for a period of three years.

THE APPROVING OFFICIAL MUST RECEIVE THE "CARDHOLDER STATEMENT of ACCOUNT" NO LATER THAN THE 15TH CALENDAR DAYS OF EACH MONTH. Cardholders are required to send their Statement of Account with original invoices to the Approving Official within 5 working days of receipt. Failure to adhere to this timeline may result in an interest penalty being assessed to the Approving Official's Prompt Payment Act line of accounting. Contact Cardholders within 15 calendar days if their Statement of Account is not received. After 30 calendar days a letter is sent to their Commander asking for their help. After 60 calendar days the Agency Program Coordinator is notified. Keep records of all notifications. To avoid late interest charges the Approving Official should follow-up on each Statement of Account to ensure payment was received.

CARDHOLDER RESPONSIBILITIES & PROCEDURES

13. CARDHOLDER RESPONSIBILITIES

a. Maintain a Cardholder IMPAC Log of all approved purchases. Start new numbering sequences each year. Each control number should have the following data:

- Cardholder Purchase Number
- Approving Official IMPAC Control Number
- Date of purchase
- Vendor
- Description of purchase
- Amount
- Account Processing Code (APC)
- Property Book Item (Yes or No)
- RSAIN (Requirement Statement Audit Identification Number) if required from IM Refer to paragraph 26.
- SDN (Supply Document Number) from the Supply Sergeant. Refer to paragraph 24.
- Date recorded on property book

b. Annotate the Approving Officials IMPAC Control Number on the Cardholder's log prior to making a purchase.

c. The Cardholder ensures that the use of the IMPAC card adheres to all applicable parts of the Federal Acquisition Regulation, Defense Federal Acquisition Regulation Supplement, Army Federal Acquisition Regulation Supplement, Directorate of Contracting Standard Operating Procedures, and all other regulations and procedures governing use of the IMPAC card. A violation or abuse of these regulations and/or procedures may result in immediate suspension of IMPAC card privileges. In addition, unauthorized purchases may result in personal liability to the U.S. Treasury and disciplinary action.

d. It is the responsibility of the Cardholder to determine if the supply, service, or construction is regulated by, or requires authorization from Directorate of Logistics/DCSLOG, Directorate of Information Management/DCSIM, Training and Audio Visual Support Center (TASC), Directorate of Public Works/DCSENG, etc.

e. The Cardholder shall ensure that mandatory sources of supply are checked prior to making purchases commercially.

f. The Cardholder shall initiate follow-up to ensure that the supplies/services are received/completed in the time agreed upon.

g. The Cardholder shall ensure that once the supplies/services are received all applicable documentation is included in the Cardholder's file.

h. The Cardholder shall ensure that returned items, for whatever reason, are documented in the Cardholder's file with all circumstances surrounding the return. A credit shall be requested from the vendor and the Cardholder's account shall reflect that credit by the next billing cycle..

i. Should there be any incorrect or improper charges on the Statement of Account, it is the responsibility of the Cardholder to immediately contact the vendor and work out the solution for correcting the improper charge. This conversation and resolution shall be annotated and placed in the file. When subsequently reconciling the Statement of Account, follow the procedures in the "Disputes Procedures" section of this SOP. If purchased items or credits are not on the statement, the Cardholder shall retain the documentation until the purchase or credit appears on the next statement. If the transactions do not appear on the next billing cycle (Statement of Account), the Cardholder shall contact the vendor and resolve the issue.

j. Establish an audit trail by annotating the serial number on the invoice of all items purchased that have serial numbers.

k. Ensure IMPAC account numbers are blacked out on supporting documentation.

- Note: SF44 (Purchase Order-Invoice, Voucher) form is used when a customer cannot accept the IMPAC Card. Not all Cardholders have authority to use SF44 form. Each SF44 must have the following information:
 - TAX ID Number. (Note: The U.S. Army Reserve tax-exempt number is 35-1880470).
 - Valid EOR (Element of Resource).
 - APC (Account Processing Code).
 - Full document number (which includes the DODAAC).
 - Leave the Accounting Data area blank. The Budget office will apply the accounting classification.

14. CARDHOLDER DOCUMENTATION PROCEDURES. Any time a purchase is made using the IMPAC card, whether it is done over the counter or by telephone, documentation should be retained as a record of the approval and decision-making process, as well as proof of purchase. These documents will later be used to verify the purchases appearing on the monthly Statement of Account.

Step 1: The bank will mail the Statement of Account to the Cardholder on the 2nd business day after the end of the billing cycle. The Statement of Account should be received by the 7th business day after the end of the billing cycle. If the Statement of Account is not received by the 10th business day after the end of the billing cycle, action must be taken with the bank to receive a copy of the missing document.

Step 2: The Cardholder date stamps and verifies all the information on the Statement of Account. A description of items purchased on each transaction will be entered on the Statement of Account unless, for example, there is an itemized receipt available.

Step 3: The Cardholder signs the Statement of Account and attaches all original invoices, receipts, or other supporting documentation (e.g. phone records, packing slips, cash register receipts, etc). If a charge is not considered to be valid, the Cardholder implements dispute procedures. The Cardholder still signs the Statement of Account, but annotates discrepancies that are expected to be resolved or attaches a copy of the Cardholder Statement of Questioned Item form.

Step 4: Cardholders should send their Statements of Account with original invoices to the Approving Official within 5 working days of receipt.

- NOTE #1: In cases where the Cardholder is not available to perform the reconciliation, it is the Cardholder's responsibility to notify the Approving Official and arrange for the reconciliation to be performed by the Approving Official or a designated alternate. If satisfactory arrangements cannot be made, the Approving Official must still certify the Billing Statement but may direct a specific individual reconciliation after the Cardholder returns.
- NOTE #2: In cases where the Cardholder does not have the Statement of Account, the same information is available on the Approving Official's Billing Statement. Reprints of lost statements are also available from the bank.
- NOTE #3: Cardholders who consistently fail to perform reconciliation or who fail to maintain adequate documentation may have their accounts canceled and purchasing privileges revoked.
- NOTE #3: The Cardholder shall prepare a written statement when supporting documentation is missing for a purchase. The statement will include the vendor's name, description of the item, date of purchase, and an explanation as to why supporting documentation is not provided. The Cardholder and the Approving Official sign the statement. Furnish sufficient documentation, as necessary, to the budget analyst or Resource Manager, for tracking of actual monthly expenditures. What constitutes sufficient documentation should be coordinated with the budget office.

15. PURCHASING PROCEDURES

a. Over the Counter Transactions: Once you have selected your purchase, present it with your card to the merchant. Inform the merchant that your purchase is tax exempt. (Note: The U.S. Army Reserve tax-exempt number is 35-1880470). If the merchant questions the tax-exempt status of your card, provide him with a copy of the state tax-exempt declaration. Verify that the dollar amount is correct. You will be provided one copy of the signed sales draft as an over-the-counter purchase. You will need to request the draft be sent to you with the order in the case of a telephone or mail order purchase. This draft should be kept and verified against your Statement of Account and attached to your Statement of Account when forwarding to your Approving Official.

b. Mail or Telephone Order Purchases: When placing a mail or telephone order, you will be asked to provide your name, card number, expiration date and the address shown on your IMPAC account. Cardholder's address should be given exactly as shown on your IMPAC account. Otherwise, your transaction may be declined when the merchant attempts to obtain approval card verification. Inform the merchant that your purchase is tax exempt. Also ensure that the merchandise you are buying is in stock or can be received within 30 days. Advise the merchant that you require a single delivery and that they are not to invoice until all items have been shipped. You will also be required to provide a shipping address, which may be different from your own address. Property book items are shipped to the Supply Sergeant.

c. Cardholders must rotate purchases among vendors.

d. IMPAC card files shall contain documentation for all decision-making processes, e.g. fair and reasonable price determinations, sole source determinations, rotation of vendors, etc.

e. Required Priority of Sources: Required Priority of Sources (Federal Acquisition Regulation PART 8). Before reaching a decision to use commercial sources, the Cardholder must determine if mandatory sources meet the need. The Cardholder will screen the following four sources, in order of priority, to satisfy the purchase requirement:

- Activity/installation inventories
- Federal Prison Industries (FPI or trade name UNICOR)
- National Industries for the Blind/Severely Handicapped (NIB/NISH)
- Wholesale supply sources (GSA, DLA, etc.)

Sources are listed below.

- *Federal Prison Industries, Inc.* visits their web site at www.unicor.gov or call 800-827-3168.
- *Committees for Purchases from People, who are blind or severely handicapped*, visit their web site at www.jwod.gov or call (703) 603-7740.
- *National Industries for the Blind* visit their web site at www.nib.org or call 800-433-2304.
- *National Industries for the Severely Handicapped*, visit their web site at www.nish.org or call (703) 560-6800.
- *GSA Federal Supply Schedules* visit their web site at <http://pub.fss.gsa.gov/Sched/index.html> or call 888-FSS-0070.
- *GSA Stock Program* visits GSA Advantage at <http://www.fss.gsa.gov> or calls 800-525-8027 or faxes your order to 800-856-7057.
- For any questions regarding GSA's Products or Services call the National Customer Service Center (NCSC) at 800-488-3111 or DSN 465-1416.

16. LOST OR STOLEN IMPAC CARDS

a. **Telephonic Notification.** If the card is lost or stolen, the Cardholder should immediately notify the bank at the following number: 1-888-99-IMPAC.

b. **Written Notification.** The Cardholder must also notify the Approving Official and the Agency Program Coordinator of the lost or stolen card within one (1) workday after discovering the card is missing. The Approving Official should submit a written report to the Agency Program Coordinator within five (5) workdays. The report should include:

- (1) The card number.
- (2) The Cardholder's complete name.
- (3) The date and location of the loss.
- (4) If stolen, the date reported to the police.
- (5) Purchases the day the card was lost/stolen.
- (6) Any other pertinent information.

c. **IMPAC card Replacement.** A new card will be mailed within two (2) business days of the reported loss or theft. A card that is subsequently found after being reported lost or stolen should be cut in half by the Cardholder and given to his/her Approving Official. The Approving Official will then forward an IMPAC Card Destruct Notice to the Agency Program Coordinator.

d. The IMPAC is issued to the individual, not to the Unit or Center. The Cardholder is the only person that can make purchases.

e. IMPAC cards should be locked up or secured on the person. If the card is compromised, the Cardholder must request a replacement.

f. At termination of employment or PCS, the IMPAC is returned to the Approving Official with an IMPAC Destruct Notice. The Approving Official destroys the card and forwards the notice to the Agency Program Coordinator. The Cardholder ensures the final Statement of Account has cleared with the Approving Official. Cardholder's supporting documentation file is forwarded to the Approving Official and maintained for three years.

17. LATE PAYMENTS/PURCHASE CARD SUSPENSION POLICY

a. DOD policy is to pay its invoices on a timely basis. Under contract with GSA, U.S. Bank will suspend Approving Official Accounts when 60 days past due (90 days past the billing date). When an Approving Official's account is suspended, all the cards underneath that Approving Official are suspended.

b. Before suspension, the bank will notify Approving Official of the pending suspension. The account remains suspended until brought up-to-date with payment of outstanding invoices. At that time, accounts will automatically be reinstated. Accounts suspended more that twice in a twelve-month period are canceled.

c. Prior to suspension, the bank will issue to the Approving Official a Late Payment Notice (LPN), which is intended to alert the Approving Official that a problem has arisen in the payment area of the program, and that a payment has not been received. *When an Approving Official receives a LPN, he/she must be proactive in determining the cause and work with the bank and the paying office to solve the payment problem.*

18. DISPUTE PROCEDURES.

a. **Basis for Disputes.** The most common causes for disputes are defective items, unauthorized charges, and items billed but not received. Other reasons for dispute include alteration of payment amount and duplicate charges.

b. **Defective Items.** If items purchased with the IMPAC card are found to be defective (e.g. price, quantity, or quality), the Cardholder will obtain replacement or correction from the merchant as soon as possible. If the merchant refuses to replace or correct the faulty item or charge, the charge for the item should be formally disputed.

c. **Unauthorized Charges.** If a Cardholder receives a Statement of Account that lists an unauthorized or incorrect charge, the Cardholder must try to resolve the charge with the merchant. After the Cardholder makes a reasonable attempt to resolve the situation with the merchant, the transaction must be formally disputed.

d. **Items Billed but Not Received.** This is the most common reason for Cardholders to initiate a dispute. Most items billed, but not received, will be received before the next Statement of Account. The Cardholder should annotate on their Statement of Account that the item has been ordered but not received. A formal dispute should be initiated if the item has not been received by the time the next Statement of Account is received.

e. **Initiating a Formal Dispute.** Problem transactions must first be addressed to the merchant for resolution (i.e., credit, repair, or replacement). If the merchant does not remedy the situation, Cardholders must complete a Cardholder Statement of Questioned Item (CSQI) form and send it by mail or fax directly to the bank. **THE CSQI FORM IS PROVIDED AS ATTACHMENT 11 IN THE FORT DIX SOP.** Cardholder should attach a copy of the completed CSQI form to the Statement of Account and send it to the Approving Official as part of the reconciliation process. Cardholders should submit a CSQI once a reasonable attempt has been made to resolve the issue directly with the merchant. Approving Officials will continue to monitor the status of the dispute and assist as necessary to resolve the issue with the bank. If there is a reasonable expectation that the vendor will correct the situation, the Cardholder will follow delayed dispute procedures as identified below. In any case, Cardholders have 60 days from receipt of the Statement of Account to dispute a transaction.

f. **Delayed Dispute Procedures.** If a potentially disputable item has been billed on the Statement of Account, the Cardholder should wait until the following billing cycle to submit a Cardholder Statement of Questioned Item. Cardholders will be required to assist the bank as necessary and should follow-up with the bank until the dispute is resolved. *A reconciled Statement of Account should not be withheld for disputed items; rather the Approving Official will certify the Billing Statement for payment in full.* Any credits for the disputed items should be offset against future billings. Cardholders have 60 days from receipt of the Statement of Account to dispute a transaction.

g. **Bank Actions.** The disputed items are summarized on the Statement of Account until resolved. If the bank determines that a refund is due to the Cardholder, a credit will appear on the Statement of Account. A breakdown of the disputed transactions will be available from the bank upon request.

h. **Items, Which Cannot Be Formally Disputed.** The following items cannot be formally disputed with the bank:

(1) **Tax charges.** Any taxes charged by the vendor must be resolved directly with the vendor. If the vendor will not credit the account, the tax charge must be paid.

(2) **Shipping charges.** Shipping charges must be negotiated as a part of the total price of an item. Any shipping charges that are billed by the vendor that were not negotiated as a part of the total price of the item must be resolved directly with the vendor. If the vendor will not credit the account, the additional shipping charges must be paid.

(3) **The quality of a service.** The quality of a service rendered by a vendor is a subjective judgment. If the expectations of the two parties entering into an agreement cannot be made clear by an oral agreement, then the service should be purchased through a formal contract, setting out clear terms and conditions.

RESOURCE MANAGEMENT

19. RESOURCE MANAGEMENT RESPONSIBILITIES

a. Resource Managers will fund IMPAC card purchases using the Bulk method as directed by ASA FM Memorandum 16 September 1996 and ASA FM Memorandum 24 January 1997. The bulk method requires that a specific fund reservation (obligation or formal commitment) be posted to the official accounting records prior to payment of the invoice. Bulk funding may be made in monthly, quarterly, semi-annual, or annual increments, as is appropriate to the funding environment of the activity. Generally, micro-purchases using the IMPAC card will directly cite the ultimate consumer funds.

b. The Resource Manager will determine the Cardholder's thirty-day spending limit and the Approving Official's credit limits, and then use these limits to budget for purchase card purchases. Tenant organizations are provided with purchase cards citing the tenant's direct funds to reduce administrative workload associated with reimbursing the host for these procedures.

c. The Resource Manager will assign a single accounting classification for each Cardholder's account number. Only one basic symbol is used on each card to provide an adequate audit trail for future interest payments, discounts, and rebates. The accounting classification is entered in the Master Accounting Code field on the purchase card account set-up or account maintenance information form. This will allow the accounting classification to be automatically reflected on the Cardholder's Statement of Account.

d. Payment of Interest. Resource Managers shall provide a fund cite to the paying office to which the prompt payment interest can be charged. The Prompt Payment Act requires that Services pay Billing Statements within 23-30 days of receipt. If this payment is not made, the Service must pay the bank interest on the unpaid balance. The business practices described in this SOP should create an environment where payments are made within or before the 23-30 day window. However, if payments are not made on time, DFAS will compute and assess an interest penalty payment and charge this interest to an account provided by the Approving Official's Resource Manager. The Resource Manager must identify this account at the time the Approving Official's account is established. A recent change in the prompt payment act allows payment of the Billing Statement sooner than the 23rd day after the date of the invoice. When the payment is made early, Approving Official accounts are eligible for a rebate from U.S. Bank.

20. **FACILITY REPAIRS & MAINTENANCE** Repairs & maintenance (or services) of Real Property are coordinated and approved by the 96th RSC Deputy Chief of Staff Engineers (DCSENG) Operations Division. See RSC Pamphlet 420-1, par 3-17, 3-18, 3-19, and Appendix B. The IMPAC card issued for Real Property purchases is annotated with FACSERVI and is used only for purchases approved by a DCSENG Approving Official. Environmental issues are addressed to the DCSENG Environmental Division. The Environmental Division addresses issues regarding personnel safety and environmental protection. Prior to the purchase of hazardous material, the organizational Safety Officer (AFRC-CUT-SA) must conduct a technical review. The Safety Officer is charged with controlling the types of hazardous materials purchased and where and how they are stored.

21. **FOOD SERVICE:** Food service IMPAC Cardholders telephone the 96th RSC DCSLOG Food Service Section prior to making any purchase with the IMPAC card. Cardholders may only purchase subsistence items or catered meals, depending on their approved status for meals. The IMPAC card is not used to purchase ice as a food item. Units authorized catered meals require a control number from the Approving Official for each meal to be served. Units having internal food service capability (able to prepare and serve meals) will require a control number for each purchase, not per meal. Only government provided meals for soldiers or civilians in a duty status are authorized. Individuals in a travel status are not authorized subsistence purchased on the IMPAC card. Officers and enlisted AGR personnel will pay direct when subsisting with an USAR Unit at a catered or contracted facility or restaurant. No individual or travel subsistence is allowed.

22. **MAINTENANCE:** The IMPAC card used by Units to purchase Class IX repair parts is controlled by DCSLOG. Cardholders will request a control number from DCSLOG Supply prior to making any purchases. Each Cardholder located in a 96th RSC AMSA and ECS shop is authorized to have their own purchase control log for Class IX repair parts. A copy of the monthly control log is sent to their respective Approving Official with their monthly Statement of Account.

23. **MILITARY PHOTO SUPPORT:** Units in the Salt Lake City and surrounding areas should use Camp Williams for military photo support. For other support, or if there is a question, contact the 96th RSC DCSPER.

ACCOUNTABILITY

24. PROPERTY BOOK ACCOUNTABILITY:

a. Any non-expendable property book item (including pilferable and sensitive items) purchased for the 96th RSC must have a Supply Document Number (SDN) assigned by the Supply Sergeant. The IMPAC Cardholder obtains a SDN prior to making the purchase. Next, the Cardholder obtains an Approving Official IMPAC Control Number from their Approving Official. After the purchase is completed, the Cardholder gives the Supply Sergeant a copy of the invoice. The Supply Sergeant then gives the PBO a copy of the invoice and a DD Form 250 (Material Inspection and Receiving Report) annotated with the SDN and serial number (if applicable). The PBO ensures the posting of the property book item. Property book items are shipped to the Supply Sergeant. The Supply Sergeant issues hand receipts.

b. All purchases must be authorized on the Table of Distribution & Allowance (TDA), Modified Table of Equipment (MTOE), Common Table of Allowance (CTA), Technical Manual (TM), or other authorized document.

c. (IG requirement) Hand receipt holders or Supply Sergeants must prepare DD Form 250 (Material Inspection and Receiving Report) to acknowledge and report purchases of non-expendable items to the PBO. The following procedures will be used when completing the DD Form 250 and are found in DA Pam 710-2-1.

- (1) Block 1. Enter the word "IMPAC."
- (2) Block 2. Enter the invoice number or reference number from vendor's receipt.
- (3) Block 9. Enter the vendor's name and address.
- (4) Block 13. Enter the hand receipt number and unit address.
- (5) Block 15 thru 20. Enter information pertaining to item(s) purchased.
- (6) Enter date of purchase and hand receipt holder's signature.

(7) The PBO processes the receipt of supplies and equipment upon receipt of documentation according to AR 710-2 and supplementing procedural manuals.

d. The Supply Document Number (SDN) from the Supply Sergeant will become the property book number recorded by the Property Book Officer.

25. **SARSS BYPASS:** Cardholders may by-pass the stock record account (SARSS, Standard Army Retail Supply System) when purchasing items that are not in the army inventory. However, demands must be recorded for purchases of repair parts. Post-post (recording IMPAC repair parts transactions in SARSS) procedures are required to record these purchases. SAMS and ULLS series customers will process a demand transaction, DIC DHA to SARSS-1. Demand data is required for Materiel Management Center at the National Level and for input to the TRM model.

26. **AUTOMATED DATA PROCESSING (ADP) & AUDIOVISUAL (AV) EQUIPMENT.** Purchasing ADP and AV equipment (computers, printers, copiers, audiovisual, telecommunications, reproduction equipment, etc) is approved through 96th RSC Deputy Chief of Staff Information Management (DCSIM). Also see PROPERTY BOOK ACCOUNTABILITY procedures in paragraph 24. DCSIM issues a Requirement Statement Audit Identification Number (RSAIN) as needed for each approved purchase.

- Note: This does not include Standard Army Management Information Systems (STAMIS) and "stovepipe" systems (adding to an existing STAMIS system).
- Note: Purchasing parts to build a computer do not exempt this requirement. The requirement for avoidance of split purchases also applies to purchasing parts to build a computer.

27. **REVIEW ACCOUNTABILITY:** IMPAC Cardholders files are subject to audit by the Approving Official or his/her representative, Internal Review, the Army Audit Agency, the Agency Program Coordinator, etc. Ensure that all files contain a clear audit trail. DCSLOG reviews (monthly or quarterly as needed) all 96th RSC IMPAC Statement of Accounts. This review uses the 96th RSC DCSLOG IMPAC Checklist (enclosure-1). Individual

Cardholders are reviewed as required. The 96th RSC DCSLOG is the liaison for the 96th RSC IMPAC. All IMPAC nominations (application for IMPAC cards) are screened by DCSLOG.

28. AREA SUPPORT GROUP (ASG), BRIGADE (BDE) and BATTALION (BN) RESPONSIBILITY:
ASG/BDE/BN Logistic Commanders will observe and ask if subordinate Units are in compliance with IMPAC procedures. Any detected problem is then reported immediately to the DCSLOG Approving Official (Supply & Maintenance Division, 801-736-4523).

- REGULATIONS:
 - A. FEDERAL ACQUISITION REGULATION (FAR) PART 13 SIMPLIFIED ACQUISITION PROCEDURES (<http://www.arnet.gov/far>)
 - B. FAR PART 8 REQUIRED SOURCES OF SUPPLIES AND SERVICES (<http://www.arnet.gov/far>)
 - C. DEFENSE FAR SUPPLEMENT (DFARS) PART 208 REQUIRED SOURCES OF SUPPLIES AND SERVICES (<http://www.acg.osd.mil>)
 - D. ARMY FAR SUPPLEMENT (AFARS) SUBPART 13.90 GOVERNMENT PURCHASE CARDS
 - E. AR 710-2
 - F. DA PAM 710-2-1 CHAPTER 2

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